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MOLECULAR DETECTION INC. CLOSES FIRST ROUND OF FOLLOW-ON FINANCING

—Raises \$1.4 Million to Enhance Product Pipeline and Expand Working Capital—

—Company to Discuss Recent Progress Today at Wells Fargo Healthcare Conference—

WAYNE, PA – June 23, 2010 – Molecular Detection Inc. (MDI), a company developing Detect-Ready™ assays designed to increase the speed and accuracy of infectious disease diagnosis, today announced the first close of a new financing. The financing was led by MentorTech Ventures II, LP and included Robin Hood Ventures, Elm Spring Holdings and the Mid-Atlantic Angel Group Fund I and II, LP (MAG), all existing investors. The company raised \$1.4 million as part of a follow-on to its \$3.3 million Series C round announced in late 2009.

MDI recently launched its first product, the Detect-Ready™ screening assay for the rapid detection of methicillin-resistant *Staphylococcus aureus* (MRSA), a growing worldwide problem that results in serious illness and death and also increases healthcare costs.

“MDI has accomplished a great deal since the close of our Series C financing, successfully introducing our Detect-Ready MRSA assay in cooperation with top tier sales and marketing partners in the key UK and German markets, while also preparing for launch in other important territories,” said Todd Wallach, chairman and CEO of MDI. “These new funds will help advance our new product development efforts and expand the working capital needed to support our rapidly growing business.”

Drug-resistant, potentially deadly MRSA infections are a growing problem in healthcare facilities around the world. The Detect-Ready MRSA kit is a qualitative real-time PCR (rt-PCR) *in vitro* diagnostic test for the direct detection of MRSA nasal colonization to aid in the prevention and control of MRSA infections in hospitals and other healthcare settings. The proprietary technology in the Detect-Ready kits provides a unique differential diagnosis engine that produces highly accurate results, minimizing the false positives and false negatives experienced with other MRSA screening kits. Samples for testing are simple to obtain using nasal swabs, and the assay’s ready-to-use pre-mixed reagents require only the addition of patient sample to run the test, which provides results in less than three hours.

“We are delighted to lead this follow-on financing for MDI, which has demonstrated its ability to successfully launch its innovative MRSA assay into some of the most demanding markets in the world, and to do so with impressive efficiency,” said Boris Kalandar, managing director of MentorTech Ventures and a Board member of MDI. “The new funds are intended to help accelerate commercialization of the company’s pipeline of novel infectious disease diagnostics, and we look forward to continued strong progress from the MDI team.”

Unlike other testing products that require special handling, Detect-Ready kits are off-the-shelf, room-temperature stabilized and require no refrigeration. Detect-Ready kits are compatible with multiple rt-PCR platforms currently found in clinical laboratories, including the Roche LightCycler®, Qiagen RotorGene® and Cepheid SmartCycler®. The flexibility to leverage existing infrastructure and equipment to run Detect-Ready assays eliminates the need for additional hospital capital investment.

The Detect-Ready MRSA assay kit has received the CE mark certification for sales in the European Union. The Detect-Ready MRSA assay is currently available in Germany, the UK, Ireland, Switzerland and Austria. Additional launches are expected in the coming months.

Molecular Detection Inc. is presenting today at the 2010 Wells Fargo Healthcare Conference at the Intercontinental Hotel in Boston, MA at 9:30 AM ET.

About Molecular Detection

Molecular Detection Inc. (MDI), a US-based company with offices in Wayne, PA, Tunbridge Wells, UK and Jerusalem, Israel, is developing and commercializing a portfolio of “sample-to-answer” Detect-Ready™ molecular diagnostic tests for the detection of infectious diseases. The company’s first product is a ready-to-use rapid detection DNA probe hospital-based screening test for MRSA. These staph infections represent a growing problem to the healthcare system. Successful MRSA control efforts rely on screening potential carriers to prevent the spread of the disease. The Detect-Ready MRSA test provides increased accuracy, faster time to results and more efficient utilization of hospital resources compared to other MRSA diagnostic products. It is currently available in the UK, Germany, Ireland, Switzerland and Austria, with additional launches expected in the coming months. MDI’s real-time PCR tests are based on novel patent-pending technologies for differential diagnosis and room-temperature stabilization. For more information, visit www.detect-ready.com.

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